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RUEHKP/AMCONSUL KARACHI PRIORITY 0743  
RUEHLH/AMCONSUL LAHORE PRIORITY 6474  
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C O N F I D E N T I A L SECTION 01 OF 03 ISLAMABAD 003788

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TAGS: [PGOV](#) [PREL](#) [PINR](#) [PK](#)

SUBJECT: PML-N KITCHEN CABINET: NAWAZ'S BETTER HALF

REF: A. ISLAMABAD 2817

[1](#)B. ISLAMABAD 2611

Classified By: Anne W. Patterson for reasons 1.4 (b), (d)

[1](#)1. (C) Summary: On November 25 last year, opposition leader Nawaz Sharif triumphantly returned to Lahore. Even then, however, prospects for his Pakistan Muslim League-Nawaz looked dim. In fact, Nawaz announced (three times) that his party would boycott the February 18 parliamentary elections, just to be walked back by his inner circle. In this and on other subjects, Sharif's unquestionably loyal and cohesive inner circle has steered the party from opposition to government and back to opposition. They are convinced that Nawaz will soon return to power whenever the Pakistan People's Party loses its grip. When this inner circle does return, the GOP will have a very capable cadre of leaders -- some are pragmatists, some ideologues (though not religious dogmatists); many are Western-experienced, while others are district politicians; most entered politics during General Zia ul Haq's era, institutionalizing Islam under his direction, but today they are quick to claim only the label of "religious populist," stressing Islam's conservative socio-cultural aspects, not any fervent, dogmatic fanaticism. End summary.

Never Say "Never"

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[1](#)2. (C) Just one year ago, some commentators had proclaimed the death knell of the Pakistan Muslim League-Nawaz (PML-N) party. PML-N leader Nawaz Sharif had been exiled in Saudi Arabia since December 9, 2000. Sharif's attempt to return to Pakistan on September 10, 2007, miserably failed. His party's boycott of former President Pervez Musharraf's controversial re-election had no effect. Only with the return of Pakistan People's Party (PPP) leader Benazir Bhutto did Sharif's own return on November 25, 2007, become possible.

[1](#)3. (C) With the December 27, 2007, assassination of Bhutto, however, Sharif became the sole leader of the anti-Musharraf opposition; Bhutto's widower (now President) Asif Zardari never acquired that mantle. Though Zardari's PPP out-pollled the PML-N in the February 18 parliamentary elections, even Sharif was surprised at his party's new 91-seat strength at the federal level and its predominant position in Punjab provincial government. PML-N's close runner-up finish puts Nawaz (and his kitchen cabinet) in an enviable standing to return to power.

Pragmatism and Ideology

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¶4. (C) Sharif's kitchen cabinet can be grouped into two main strains: (1) pragmatists -- concerned about increasing commodity prices, electricity shortages, and overall poverty and unemployment; and, (2) ideologues -- unbending and legalistic on the issues of the judges' restoration, Musharraf's removal/prosecution, and war on terror implementation. While there are exceptions, many of the pragmatist strain have been educated or worked in the West; many of the ideologue strain are traditional district politicians. It would be misleading, though, to label these strains as competing factions. Overall, the party is pro-business, pro-defense complex, pro-traditional family values, and more nationalist than rival PPP. Nawaz's confidants, chief of whom is his brother Shahbaz, are unquestionably loyal to him, surprisingly cohesive as a group, and extremely competent in their fields.

¶5. (C) For example, Shahbaz earned a reputation for being an efficient "behind-the-scenes troubleshooter" when he served previously as Punjab Chief Minister (1997-1999). Ishaq Dar is Nawaz's main advisor on economic issues, having previously worked as a Director at the International Monetary Fund (IMF), the Asian Development Bank, and the Islamic Development Bank. He has also served as Chief Executive of the Pakistan Board of Investment, as well as Commerce Minister (1997-1998) and then Finance Minister (1998-1999). Khawaja Muhammad Asif can be added to the "pragmatist camp," a businessman and banker by profession who served as Chairman of the Privatization Commission (1997-1999).

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¶6. (C) The kitchen cabinet's ideologues are equally accomplished, at least as politicians. Though starting his political career with religious party Jamaat-I-Islami (JI), Nawaz's long-time spokesman Ahsan Iqbal is a Wharton Business School graduate who formulated Pakistan's first national information technology policy. The party's parliamentary leader Chaudhary Nisar Ali Khan has been elected to the National Assembly in every election since 1985 and has been a cabinet member off-and-on since 1987. Makhdoom Javed Hashmi, party senior vice president, also started with JI and has been a parliamentarian since 1985. He was jailed for highlighting dissension in Musharraf's Army ranks from the floor of the National Assembly. And party secretary general Iqbal Zafar Jhagra, uncharacteristically hailing from Pakistan's Northwest Frontier Province (NWFP) instead of Punjab, has been with the party and served with Nawaz since ¶1983.

Counter-balance  
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¶7. (C) But more than pushing their own pragmatic or ideological lines, this group of top advisors counter-balances Nawaz's own instinctive reactions. In October 2007 meetings with PolOff, just before Sharif's return, both Nisar Ali Khan and Khawaja Asif criticized Nawaz's rush to fire Musharraf as Chief of Army Staff (COAS) back in October 1999. Asif revealed that he also counseled against Nawaz's premature return to Pakistan in September 2007, fearing a diminished crowd and official cordons; both occurred. The inner circle also had to walk back, three times, their leader's rash announcements that the party would boycott the February 18 parliamentary elections. And most, if not all, privately hesitated to leave the federal cabinet on May 12 when Nawaz took his first step away from the PPP-led GOP over the judges issue.

¶8. (C) By all accounts, Sharif has matured over the eight years of exile in Saudi Arabia, though, with breaking news, his inner circle still dashes to get a hold of him before the press gets a scintillating quote. Sharif's decision-making style is now reportedly more open and inclusive. PML-N

parliamentarians and party staff have commented that Sharif pulls together preparatory sessions before big meetings. Such sessions have taken place in the last few months before each encounter with the PPP's Zardari, and a similar session occurred before Sharif met with Assistant Secretary Boucher in Islamabad in mid-October. In fact, a couple of party sources have claimed that Sharif has recently silenced Hashmi, even in private sessions, because he is too strident and hard-line.

"Religious Populists"

19. (C) It is noteworthy that many of Sharif's kitchen cabinet, like he himself, rose through the political ranks during General Zia ul Haq's regime (1977-1988). Of course, for aspiring politicians and technocrats of that era, accepting Zia's tutelage was an expedient route. Party Chair Raja Muhammad Zafar-ul-Haq, along with the others mentioned above, is a good example. He served as Zia's Religious Affairs Minister (1984-1985), but has backed away from his pro-mujahideen slant, which he reportedly held until 9/11. These advisors joined Zia's re-born Pakistan Muslim League, a center-right party in response to the liberal-left PPP of Zulfikhar Ali Bhutto. (Note: Of Sharif's kitchen cabinet, only party vice president and parliamentarian Tehmina Daultana can claim no links to Zia. Her political star has risen because of her leading demonstrations against the military governments of Zia and Musharraf.)

110. (C) At its base, according to members of this PML-N inner circle, the party is secular, though not stridently so. It has aligned with religious conservatives (farther right on the political spectrum) to cobble together a winning coalition. Sometimes the religious conservatives are just coalition partners; other times, they have formally joined Nawaz's "big tent." PML-N contacts are quick to mention, however, that they are "religious populists," not advocates of the hard-line of the religious parties or strict application of sharia law. Put another way, the PML-N

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invokes religion as a socio-cultural impulse not as an imperative of faith. They freely admit their conservatism and the natural appeal their party has for many of the country's religious conservatives.

111. (C) Comment: The PML-N's political and electoral need to curry favor with Pakistan's religious conservatives explains the party's push for dialogue with the frontier militants. This policy stance has broad appeal with both urban and rural Punjabis, who represent more than half of the country's population, as well as (until maybe recently) with the frontier's tribals. When the PML-N has been successful at the polls in Punjab and in the frontier, it has come to power in Islamabad. End comment.

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